Approved For Belease 1999/09/08 - CIA-RDP82-00457R000400220004-3 Document 25X1A Gocument is hereby regraded to CONFIDENTIAL in accordance with the letter of 13 October 1978 from the Dictor of Central Intelligence to the Archivist of the United States.

Next Review Date: 2008 COUNTRY Czechesleyakia/USSR INFO. As stated SUBJECT Directive to Exporters & Importers Trading DIST. 27March 1947 with USSR PAGES 25X1A 25X1A SUPPLEMENT ORIGIN APPENDIX (1 page) 25X1X The following translation, from a German translation of the Czech original, is the third in a series of reports on Czech-Russian trade under the terms of the Treaty of 12 April 1946. Czechoslovakian Ministry for Foreign Trade Report No. 1 Deputy for Trade with USSR About the problems and duties of the Deputy and our cooper-G.Z. 142,851/41* To all importors and experters trading with USSR: 1. At the decision of the Czech Covernment on 25 June 1946 I was named Deputy for Trade with the USSR, in the Ministry for Fereign Trade, according to Article 5 of the Trute Treaty between the governments of CSR and USSR (signed in Mescow, 12 April 1946). As a result of this decision, and to fulfill the duties which are connected with the function of Deputy, a position was established which at the same time includes the activities of Section III/1 of the Ministry for Fereign Tradeo 2. The effice began its activities on 18 November 1946 in the new effices at Prague XIX, Na Zatorce 23. Telephone, as before, No. 097 via "Obzamini." 8. The duties of my office were determined by preclamation of the Ministry for Fereign Trade on 7 September 1946 as fellows: a. Maintenance of established relations with the Soviet organisations for the purpose of fulfilling the agreement; b. Maintenance of established relations with the apprepriate Csecheslovak officials; o. To assist Czecheslevak contractors and customers in the settlement of agreements with the Seviet expert and import erganizations, and to supervise the treaty settlements; d. To keep a record of the agreements made; 25X1A 25X1A S. OFFICIALS ONLY REPLACE SHELL RELEASE OF THE SHEET OF THE SH ADSO X A DEP. DADSO FBK 25X1A EXEC. SHEFORE PUBLIC RELEASE OF TH CONTROL FBM PLANS FBP

- e. To participate in the price negotiations and procure the price foundations from foreign countries;
- fo To establish controls for fulfilling the treaty through Czechoslovak firms, and to have a good understanding of the existing departments and also of the production progrems of the individual firms in order to assure observance of the terms of delivery. For this purpose, the Deputy can interfere with the contracting erganizations in order to get aid for production;
- g. To negotiate with the appropriate organizations of the USSR for conditions of acceptance, and to supervise their observance;
- h. To supervise the payments for goods delivered, and to provide for facilitation of payments;
- io To supervise the transportation of the imports and exports, as well as to provide a link between the Czechoslovak and Soviet organizations to solve the transportation problems which arise from carrying out the agreement;
- j. To provide for the facilitation, acceleration and cost reduction of transportation and distribution, as well as to facilitate the reloading of goods;
- k. To supervise demestic freight rates and discuss any changes with the Uzechoslovakian organizations;
- 1. To keep a record of the statistical material which serves as a foundation for the price negotiations for importation and exportation between CSR and USSR:
- m. To give advice, opinions and suggestions for the betterment of traderelations with the USSR, as well as to instigate the corresponding changes to this end;
- mo Constant preparation of the supplementary protocols for the periods set down in the agreement.
- 4. I request your close cooperation in fulfilling these duties and offer you the most effective aid in your business with the Soviet import and export organizations. My office is so organized as to make this cooperation really possible; namely:
 - I. Statistics Department headed by F. Kristufek, adviser to the iron and metal group. In the appendix to this circular you will find a list of our demands set up so that our cooperation will develop successfully.
 - II. Export Department headed by Chief of Section Ing. J. Place (Tel. 097/K1 338).
 - III. Import Department headed by Ing. V. Rasin (Tel. 097/339).

I am trying to arrange an informative discussion with these two departments, which have an interest in exporting and importing from USSR, so that they may be informed of all current important transactions.

Transportation Department under the leadership of Dir. J. Stocek. From the point of view of transportation it is necessary for all firms and factories which bring goods from CSR to USSR, or vice versa, to report to the Transportation Department in the Office of the Deputy, all damages which arise from transporting these goods. Besides this, it is necessary for the firms and factories to present this information to the Transportation Department both for granting of reduction in rail and water freight rates, and for the compilation and payment of union tariffs of the rail rates and combined transportation systems.

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The Office of the Deputy has a representative, Chief Superintendent M. Cervku, in Kesice who controls and arranges for transportation connections with the railroads of the USSR.

V. Financial and Administrative Department headed by Dr. K. Kraus. The duties of this department are to facilitate financing the transactions, to provide cheap credits, and to procure payment for claims.

In the interest of facilitating matters in the Office of the Deputy for Trade with USSR, it is requested that the Czechoslovak firms address their questions directly to the individual departments concerned.

5. The Deputy and the officials of this office are aware of the great responsibility placed upon them by the Government, and hope therefore that all branches of Czechoslovak industry and trade will have the necessary comprehension of their work. I expect that activities of this office will always receive complete support for their efforts, so as to assure fulfillment of their functions and thereby also enable our industries to carry out their duties, especially in regard to the imminent 2-Year plane

> Jan Pierlinger mope Deputy for Trade with the USSR

Prague, 10 December 1946

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APPENDIX to Report No. 1

According to circulars of the iron and metal group in connection with Czechoslovakian Industry G.Z. Ock/3190/46/Dr. Tal/Vog. of 8 May 1946, dealing with the Trade Freaty with USSR, all collective agreements and binding transactions with the trade representative of USSR, have to be reported directly to the Office of the Deputy "(s.Pkt.e)u.d.)" in the Ministry for Foreign Trade, as set up on 7 September 1946 .

To simplify the routine, a carbon copy of all requests to the USSR trade representative has to be sent to the Office of the Deputy, as well as copies (photostats) of all agreements with the USSR - both provisory and formal. In the event that, for some reason, these copies or photostats are too difficult for the firm to prepare, the reports of the agreements may be submitted in the form of an extract of the most important points. In this case the following information must be given:

- 1. Date of the order
- 2. Quantities contracted
- 3. Kinds of goods
- 4. Total value of the order 5. Total weight
- 6. Terms of delivery (exactly divided)
- 7. Import or export organization in USSR (Masinoimport, etc.)

The above is valid for the importer as well as for the exporter trading with USSR, and includes all kinds of goods. The placing of orders, as well as the receiving of Soviet goods, also has to be reported. In this case one has to report the following information to the Office of the Deputy:

In exporting to USSR

- 1. Goods exported (quantity and value)
- 2. Date of transfer of goods in Ozechoslovakian factory through the adcepting organization
- 5. Date of sending goods
- 4. Transportation data (car numbers, "aviso", etc.)

In receiving goods from USSR

- 1. Goods received (quantity, value)
- 2. Date of receipt of goods
- 3. Damages at time of receipt
- Transportation data

We are calling your attention to the fact that the above reports are controlled by the export and import grants. A circumvention or failure to make these ebligatory reports will make our common duties more difficult, and continued impedances to cooperation will result in the exclusion of the firm concerned from further export or import business.

Please inform us of the receipt of this communication and also inform us of the name and telephone number of the individual whom you have entrusted to make these reports.

Office of the Doputy for Trade with the USSR

Statistics Department

Prague, 10 December 1946